

Details showing reduction in price with respect maximum price

% reduction with respect to Maximum Price	No. of drugs
0<= 5%	80
5<=10%	50
10<=15%	57
15<=20%	43
20<=25%	65
25<=30%	49
30<=35%	26
35<=40%	34
Above 40%	126
	530

In addition to the above, NPPA has fixed the retail price of 214 'new drugs' under para 5 of DPCG, 2013. Also, NPPA *vide* price notifications dated 10.07.2014 capped the Maximum Retail Price (MRP) of 106 non-scheduled single ingredient drug formulations related to treatment of diabetes and cardiovascular diseases, under para 19 of the DPCG, 2013.

The prices of scheduled and non-scheduled medicines are monitored under provisions of DPCG, 2013. Where any manufacturer sells a scheduled / non- scheduled formulation at a price higher than the price permissible under the said order, such manufacturer is liable to deposit the overcharged amount along with interest thereon from the date of such overcharging.

The Government has also opened Jan Aushadhi Stores countrywide to provide quality medicines at affordable prices to the masses.

Mechanism to keep prices of medicines affordable

545. DR. CHANDAN MITRA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether there is no mechanism to keep a tab on the difference between the actual cost of production and the retail prices of medicines at present, if so, the reasons therefor;

(b) whether Government is considering to cap prices of all medicines at the time of launch of products/medicines, if so, the details thereof; and

(c) the steps taken by Government to stop gold-plating of medicines by pharmaceutical companies as well as to ensure that prices of all medicines in the market are kept at a reasonable level?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR): (a) As per the provisions of Drugs Price Control Order (DPCO, 2013) the Government/NPPA fixes the ceiling prices of essential medicines contained in Schedule-I. While fixing the ceiling price 16% margin is allowed to the retailers. For non-scheduled formulations there is no control over the launch price. In respect of medicines not under price control, manufacturers are allowed to increase Maximum Retail Price (MRP) by 10% annually.

DPCO, 2013 has been issued by the Government on 15.05.2013 in pursuance to National Pharmaceutical Pricing Policy, 2012. The key principles for regulation of prices are (i) essentiality of drugs, (ii) control of formulation prices only, and (iii) market based pricing. Hence, there is no specific mechanism available in the DPCO, 2013 to check the difference between the actual cost of production and the retail price of medicines.

(b) and (c) As tile price fixation is market price based, prices of essential medicines included in the Schedule-I of DPCO, 2013 are fixed/notified in compliance with the provisions contained in the said order to ensure that these medicines are available at reasonable price. No person is authorized to sell any scheduled formulation (medicine) to a consumer at a price exceeding the price notified by the NPPA under DPCO, 2013.

Life saving drugs pricing policy

†546. SHRI MEGHRAJ JAIN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government has directed not to change the present policy regarding fixation of prices of life saving drugs;

(b) if so, the details thereof and Government's reaction thereto; and

(c) the success achieved in the implementation of National Pharmaceuticals Pricing Policy?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR): (a) No, Sir.

(b) In view of reply to (a), does not arise.

†Original notice of the question was received in Hindi.